

IN THE UNITED STATES DISTRICT COURT FOR THE
WESTERN DISTRICT OF WASHINGTON
AT TACOMA

UNITED STATES OF AMERICA,

Plaintiff,

v.

STEVEN M. BERESFORD,

Defendant.

Case No.

**UNITED STATES’
COMPLAINT**

The United States of America (“United States”), by and through its undersigned counsel,
hereby complains and alleges as follows:

INRODUCTION

1. This is a civil action brought by the United States to reduce to judgment the
assessments of outstanding tax liabilities of Defendant Steven M. Beresford.

//

JURISDICTION, VENUE, AND DEFENDANT

2. This action is brought pursuant to 26 U.S.C. §§ 7401 and 7403 at the direction of the Attorney General of the United States and with the authorization of Area Counsel of the Internal Revenue Service (“IRS”), a delegate of the Secretary of the Treasury.

3. The Court has subject matter jurisdiction pursuant to 26 U.S.C. § 7402 and 28 U.S.C. §§ 1340 and 1345.

4. Venue is proper in the Western District of Washington in accordance with 28 U.S.C. §§ 1391(b) and 1396 because Steven M. Beresford resides in this judicial district.

5. Because Steven M. Beresford resides in Clark County, pursuant to LCR 3(e), the proper venue is in Tacoma, Washington.

6. Steven M. Beresford is made a party to this action because he has unpaid federal tax liabilities.

**COUNT I: REDUCE FEDERAL TAX ASSESSMENTS AGAINST DEFENDANT
STEVEN M. BERESFORD TO JUDGMENT**

7. The United States incorporates and re-alleges as if fully stated herein each of the allegations in Paragraphs 1 through 6, above.

8. A duly authorized delegate of the Secretary of the Treasury made timely assessments against Steven M. Beresford for unpaid federal income taxes (Form 1040), civil penalties pursuant to 26 U.S.C. § 6702 (penalty for frivolous tax submissions)¹, penalties, interest, and other statutory additions for the taxable periods, as set forth below:

¹ A penalty under 26 U.S.C. § 6702 is considered a “tax.” *See* 26 U.S.C. § 6671(a) (“Except as otherwise provided, any reference in [Title 26] shall be deemed also to refer to the penalties and liabilities provided by [Subchapter B-Assessable Penalties].”).

Type of Tax	Tax Period	Assessment Date	Assessment Amount and Type of Assessment		Unpaid Balance as of April 26, 2021*
1040 (Income)	12/31/2003	09/19/2011	Tax	\$43,249.00	\$179,000.48
		"	Estimated Tax Penalty	\$1,155.88	
		"	Failure to Pay Tax Penalty	\$10,812.25	
		"	Frivolous Submission Penalty	\$31,355.53	
		"	Interest	\$10,812.25	
		12/05/2016	Interest	\$22,211.84	
		12/04/2017	Interest	\$5,993.79	
		12/03/2018	Interest	\$7,322.12	
		12/02/2019	Interest	\$9,051.35	
		11/30/2020	Interest	\$7,167.86	
1040 (Income)	12/31/2004	09/19/2011	Tax	\$85,914.00	\$340,921.21
		"	Estimated Tax Penalty	\$2,462.01	
		"	Failure to Pay Tax Penalty	\$21,478.50	
		"	Frivolous Submission Penalty	\$62,287.65	
		"	Interest	\$66,130.89	
		12/05/2016	Interest	\$42,304.29	
		12/04/2017	Interest	\$11,415.67	
		12/03/2018	Interest	\$13,945.58	
		12/02/2019	Interest	\$17,239.05	
		11/30/2020	Interest	\$13,651.78	
1040 (Income)	12/31/2005	08/31/2011	Tax	\$59,106.00	\$243,543.82
		"	Late Filing Penalty	\$14,776.50	
		"	Fraud Penalty	\$41,795.25	
		"	Interest	\$40,702.38	
		11/19/2012	Failure to Pay Tax Penalty	\$8,274.84	
		12/05/2016	Interest	\$29,279.37	
		"	Failure to Pay Tax Penalty	\$6,501.66	
		12/04/2017	Interest	\$8,155.01	
		12/03/2018	Interest	\$9,962.30	
		12/02/2019	Interest	\$12,315.06	
1040 (Income)	12/31/2006	09/19/2011	Tax	\$47,832.00	
		"	Fraud Penalty	\$33,770.25	
		"	Interest	\$20,656.98	
		11/19/2012	Failure to Pay Tax Penalty	\$6,457.32	

Type of Tax	Tax Period	Assessment Date	Assessment Amount and Type of Assessment	Unpaid Balance as of April 26, 2021*
		12/05/2016 “ 12/04/2017 12/03/2018 12/02/2019 11/30/2020	Interest \$19,038.23 Failure to Pay Tax Penalty \$5,500.68 Interest \$5,421.68 Interest \$6,623.22 Interest \$8,187.39 Interest \$6,483.68	\$161,914.76
§ 6702 (civil penalty)	12/31/2002	04/30/2012 12/05/2016 12/04/2017 12/03/2018 12/02/2019 11/30/2020	Tax \$5,000.00 Interest \$264.67 Interest \$359.84 Interest \$332.25 Interest \$410.72 Interest \$325.26	\$8,122.50
§ 6702 (civil penalty)	12/31/2003	04/30/2012 12/05/2016 07/07/2017 12/04/2017 12/03/2018 12/02/2019 11/30/2020	Tax \$10,000.00 Interest \$1,763.89 Fees and Collection Costs \$196.00 Interest \$502.52 Interest \$575.85 Interest \$677.82 Interest \$536.77	\$13,404.73
§ 6702 (civil penalty)	12/31/2004	04/16/2012 04/30/2012 12/05/2016 12/04/2017 12/03/2018 12/02/2019 11/30/2020	Tax \$5,000.00 Tax \$5,000.00 Interest \$1,790.55 Interest \$500.05 Interest \$580.10 Interest \$667.25 Interest \$528.41	\$13,195.74
§ 6702 (civil penalty)	12/31/2005	04/30/2012 12/05/2016 12/04/2017 12/03/2018 12/02/2019 11/30/2020	Tax \$5,000.00 Interest \$971.04 Interest \$263.28 Interest \$29.49 Interest \$409.18 Interest \$324.04	\$8,092.15
§ 6702 (civil penalty)	12/31/2006	03/05/2012 04/30/2012 12/05/2016	Tax \$5,000.00 Tax \$5,000.00 Interest \$3,348.98	

Type of Tax	Tax Period	Assessment Date	Assessment Amount and Type of Assessment		Unpaid Balance as of April 26, 2021*
		12/04/2017	Interest	\$766.90	\$22,500.21
		12/25/2017	Fees and Collection Costs	\$396.00	
		12/03/2018	Interest	\$944.05	
		12/02/2019	Interest	\$1,137.75	
		11/30/2020	Interest	\$900.99	
§ 6702 (civil penalty)	12/31/2009	05/23/2011	Tax	\$5,000.00	\$7,247.90
		12/05/2016	Interest	\$965.00	
		12/04/2017	Interest	\$242.70	
		12/03/2018	Interest	\$296.48	
		12/02/2019	Interest	\$366.50	
		11/30/2020	Interest	\$290.23	
TOTAL					\$997,943.50

* As of April 26, 2021, and including accrued but unassessed interest as of this date.

9. Timely notice stating the amounts and demanding payments of the assessments set forth in Paragraph 8 above, was given to Steven M. Beresford, as required by 26 U.S.C. § 6303.

10. Despite timely notice and demands for payment of the tax assessments described in Paragraph 8 above, Steven M. Beresford has neglected or refused to make full payment of the assessed amounts to the United States.

11. Based on accrued interest and other statutory additions as provided by law, as of April 26, 2021, Steven M. Beresford is indebted to the United States in amount of \$997,943.50. Additional unassessed interest and other statutory additions as provided by law continue to accrue on these balances.

//

1 WHEREFORE, the Plaintiff, the United States, prays as follows:

2 A. That this Court determine, adjudge, and decree that Defendant Steven M.
3 Beresford is indebted to the United States for unpaid federal income tax liabilities (1040) for the
4 taxable years 2003 through 2006, and civil penalties (§ 6702) for the taxable years 2002 through
5 2006 and 2009 in the amount of \$997,943.50 as of April 26, 2021, plus statutory interest which
6 continues to accrue as provided by 28 U.S.C. § 1961(c)(1) and 26 U.S.C. §§ 6601, 6621, and
7 6622 and other statutory additions as provided by law, less any subsequent payment or credits
8 until paid in full, and that judgment in that amount be entered against Defendant Steven M.
9 Beresford and in favor of the United States;

10 B. That the United States be granted its costs and fees herein, and such other and
11 further relief as this Court deems just and proper.

12
13 Respectfully submitted on May 10, 2021.

14 DAVID A. HUBBERT
Acting Assistant Attorney General

15 /s/Rika Valdman
16 RIKA VALDMAN
Trial Attorney, Tax Division
17 U.S. Department of Justice
P.O. Box 683
18 Washington, D.C. 20044-0683
Telephone: 202-514-6056
19 Fax: 202-307-0054
rika.valdman@usdoj.gov

20 *Attorneys for the United States of America*